

October 14, 2011

Ms. Marlene H. Dortch, Secretary Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, D.C. 20554

## Ex Parte Notice

In the Matter of Connect America Fund, WC Docket No. 10-90; A National Broadband Plan for Our Future, GN Docket No. 09-51; Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135; High-Cost Universal Service Support, WC Docket No. 05-337; Developing a Unified Intercarrier Compensation Regime, CC Docket 01-92; Federal-State Joint Board on Universal Service, CC Docket No. 96-45; Lifeline and Link-Up, WC Docket No. 03-109

Dear Ms. Dortch:

On Thursday, October 13, 2011, Shirley Bloomfield, Chief Executive Officer, of the National Telecommunications Cooperative Association ("NTCA"), spoke with Zac Katz, chief counsel and senior legal advisor to Chairman Julius Genachowski, to discuss matters related to the above-referenced proceedings.

Ms. Bloomfield urged the Federal Communications Commission (the "Commission") to take prompt action on universal service fund ("USF") and intercarrier compensation reforms that would <u>both</u> preserve and advance the effective deployment of broadband in areas served by small rural telecommunications companies <u>and</u> restore regulatory certainty that will allow such providers to turn their attention back to serving consumers and operating high-quality broadband-capable networks. Ms. Bloomfield noted that if USF reforms in particular fail to address the need for a clear, long-term path toward more effective support and upgrades of broadband-capable networks, such reforms will do little to advance the cause of universal, affordable broadband and would only perpetuate the difficulty that small rural carriers already face in obtaining capital to deploy such networks.

By contrast, Ms. Bloomfield highlighted the benefits of the plan (the "RLEC Plan") that NTCA had previously submitted in cooperation with 35 other national, regional, and state rural telecom associations in these proceedings. *See* Comments of NTCA, *et al.* (filed April 18, 2011), at 7-38 and Attachments A and C; *see also Ex Parte* filing of NTCA (filed May 26, 2011).

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She explained that the RLEC Plan had been calibrated to help satisfy the Commission's reform objectives, while also fulfilling the statutory mandate for universal service and meeting the demands of policymakers for "shared sacrifice" by all industry participants. Ms. Bloomfield emphasized that the Commission should adopt an approach to reform along the lines of the RLEC Plan – specifically, by striking a very careful balance between the need to modify and transition away from existing universal service mechanisms <u>and</u> the need to provide consumers, service providers, and investors and lenders much greater visibility into the longer-term broadband-based future of universal service.

Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS with your office. If you have any questions, please do not hesitate to contact me at (703) 351-2016 or mromano@ntca.org.

Sincerely,

/s/ Michael R. Romano Michael R. Romano Senior Vice President - Policy

cc: Zac Katz